

The Legal Quality Standard of Ireland



JUNE 2026 - ARTICLES & ITEMS OF INTEREST

AML – REMINDER ON BENEFICIAL OWNERSHIP OF TRUST REGULATIONS

On the 4 June 2026 the Law Society of Ireland's, Regulation of Practice Committee published a practice note to flag to solicitors, as designated persons under AML legislation, a recent amendment to the Anti-Money Laundering: Beneficial Ownership of Trust Regulations and to remind solicitors of their obligations in relation to checking the Central Register of Beneficial Ownership of Trusts (CRBOT) and actions required where they note discrepancies or missing information.

The practice note sets out the legal requirements.

- Arising from the European Union (Anti-Money Laundering: Beneficial Ownership of Trusts) Regulations 2021 (SI No. 194 of 2021), solicitors are aware that trustees are obliged to:
 - Obtain and maintain internal beneficial ownership records, and
 - File information with the Central Register of Beneficial Ownership of Trusts (CRBOT), operated by the Revenue Commissioners, as required.
- Solicitors, as designated persons under AML legislation, are obliged to check the register to verify beneficial ownership before establishing a business relationship or if a change to the trust is identified during ongoing monitoring. In high-risk transactions, the solicitor would be required to repeat the check periodically until the matter has

concluded. Solicitors must deliver a 'discrepancy notice' to the Registrar when there is a discrepancy between the particulars of a trust's internal register and the CRBOT.

- The European Union (Anti-Money Laundering: Beneficial Ownership of Trusts) (Amendment) (No. 2) Regulations 2025 (S.I. No. 440 of 2025), which came into effect in October 2025, amend the provisions of the S.I. No. 194/2021 to introduce new obligations on designated persons under Regulation 22A in circumstances where details regarding a relevant trust have **NOT** been registered in the CRBOT.
- Where a solicitor becomes aware that a trust has not been registered in the central register, they must notify the Registrar in a timely manner. This applies when the solicitor:
 - Identifies particulars of the beneficial owner(s) during CDD, and,
 - Forms the opinion that the trust is missing from the central register.

The practice note also sets out the obligations on competent authorities and the consequences on the failure to comply for a trustee and a designated person.

To view this practice, note in full and for links to the legislation and CRBOT discrepancy notice form see [SI 440 of 2025, European Union \(Anti-Money Laundering: Beneficial Ownership of Trusts\) \(Amendment\) \(No. 2\) Regulations 2025](#)

AI NOTE TAKING TOOLS FOR A LEGAL PRACTICE

On the 18 June 2026, the Law Society of Ireland's Technology Committee published a practice note relating to a practical guide to evaluating AI meeting assistants in a professional and legal context.

The practice note discusses the benefits of AI notetaking tools and also the benefits of handwritten notes.

It then sets out the '**Key considerations before using AI notetaking tools**'.

- **Disclosure and Consent:** Use of AI Notetaking tools should always be disclosed to clients before using them in a meeting. Consent to record a conversation must be explicit, informed, and opted into. Participants must know what is being recorded, who has access to the data, and whether the tool provider uses the information to train their AI models.
- **Corporate governance:** Clients may have internal policies governing data handling and use of third-party tools. AI notetakers should align with those requirements.
- **Training:** AI Notetaking tools are useful tools however need to be used properly. As of 2 February 2025, deployers ('users') of AI systems have a mandatory obligation under the EU AI Act to ensure a sufficient level of AI literacy among all staff dealing with AI systems on their behalf. The onus is on firms and solicitors to ensure that ethical and professional standards are always maintained. All staff using them need to be properly trained and aware of their pitfalls.
- **Accuracy of recordings:** Use of AI Notetaking tools, may not always pick up/accurately record all details and all outputs should be reviewed.

- **Client relationships:** Clients often seek legal advice at moments of vulnerability. They expect discretion, trust and personal engagement. The presence or disclosure of AI tools may affect how comfortable they feel sharing confidential information.
- **Legal Professional Privilege (LPP):** Third-party tools capturing, processing or storing communications may have implications for maintaining privilege which needs to be carefully assessed.
- **Confidentiality:** Free and paid consumer versions of AI tools are not suitable for handling client confidential data and should not be treated as compliant with data protection obligations.
- **Data Protection and GDPR:** Client information will constitute personal data. Processing by AI tools must comply with applicable data protection laws, including lawful basis, transparency and data minimisation.
- **Data Security and Storage:** having an understanding of where the data is stored, how it is secured, and who can access it are critical, particularly where cross-border transfers are involved.
- **Law Society of Ireland: Regulatory Framework:** The Law Society published Guidelines for the Use of Generative AI by the Legal Profession in Ireland in November 2025. The Law Society has confirmed it will issue additional guidance as the technology evolves. Solicitors should monitor the Law Society's Legal Tech Hub for updates.

The practice note also summarises key issues to focus on when assessing AI notetaking tools on the market, and requirements that a legal practitioner might expect.

To view this practice, note with links to the AI guidelines and Legal Tech Hub see [AI notetaking tools for legal practice](#)

UK AI LAW FIRM CLAIMS FIRST LITIGATION VICTORY

On the 23 June 2026, the Law Society of England and Wales reported how a law firm providing legal services through AI has claimed its first litigation victory after winning a small debt judgment in the county court.

Garfield AI, which markets itself as the world's first regulator-authorised AI law firm, said it helped a client receive an award of £7,000 earlier this month at Wandsworth County Court.

The firm was instructed to recover unpaid fees to a freelancer who had provided HR-related services to a hospitality business. She used Garfield AI to generate pre-action correspondence and then to prepare and issue court proceedings.

The defendant in the case brought a counterclaim and this was also challenged by the client through Garfield AI.

The firm then instructed junior barrister Dominic Li shortly before the trial began. Following a three-hour hearing in which both sides were represented by counsel, the court found in favour of the claimant and dismissed the counterclaim.

Garfield AI said the result reflects the positive combination of AI-enabled litigation support and skilled human courtroom advocacy. The judgment has not been published.

Philip Young, chief executive and co-founder of Garfield AI, said this was a landmark moment not just for the firm but for access to justice. 'For too long, businesses have been forced to write off debts because the cost, time and stress of litigation made pursuing them uneconomic,' he said. 'Here, a freelancer who had done the work and not been paid was able to take her case all the way to trial, resist a counterclaim, and win. That is exactly why Garfield exists.'

To view this article in full, see [AI-powered law firm Garfield claims first county court victory with debt recovery judgment worth £7,000 | Law Gazette](#)

AGENTIC AI IN A LEGAL PRACTICE

In the June edition of the Law Society Gazette, Blathnaid Martin practising solicitor and in-house legal counsel at MongoDB has written an article titled 'Agents of Change'.

The article examines how agentic AI is transforming legal practice and questions whether it could undermine the traditional billable hour model.

She states agentic AI can handle a wide range of routine legal operations, such as contract review, redlining, and drafting, conflict checks, invoicing, meeting scheduling, note-taking, monitoring legislation across jurisdictions. It can often do these tasks faster, cheaper, and at scale compared to human solicitors.

AI is unlikely to replace solicitors entirely. Regulatory bodies and the judiciary are likely to seek to limit the use of AI in a way that does not degrade the profession or put its future economic viability at risk. However, many routine, repeatable tasks (e.g. due diligence, contract review) are highly vulnerable to automation.

Solicitors remain fully responsible for work produced using AI and core duties (competence, confidentiality, candour) still apply.

She states in the future AI will likely reshape revenue models, especially in routine legal services. Some areas may move away from billable hours toward fixed or value-based pricing. The profession will adapt rather than disappear, with solicitors focusing on higher-value, strategic work. The full impact remains uncertain—but change is inevitable.

To view this article in full, see page 24 of the June 2026 Law Society Gazette [Gazette Magazine](#)

DPC PUBLISH ANNUAL REPORT FOR 2025

On the 30 June 2026, the Data Protection Commission (DPC) published its Annual Report for 2025 together with a case studies booklet containing 39 case studies.

Some highlights from the 2025 Annual Report: -

- The DPC received 16,160 new cases from individuals in 2025, representing a 45% increase on 2024.
- 11,734 cases were concluded during the year, a 12% increase on 2024.

- The DPC concluded 208 valid cross-border complaints (as EU/EEA Lead Supervisory Authority). This represented a 43% increase on 2024.
- Total valid breach notifications received in 2025 was 6,521, representing a 16% decrease on 2024. Almost half of these breaches were a result of correspondence being sent to the wrong recipient.
- The DPC provided input and observations on over 77 pieces of proposed legislation in 2025.
- The DPC also issued 50 warning letters to companies on foot of unsolicited marketing communications.
- The DPC finalised 4 large scale inquiries in 2025 and imposed administrative fines totalling just over €530.77m and multiple reprimands and compliance orders.

Dr Des Hogan, Chairperson, Commissioner for Data Protection commented: “2025 saw an unprecedented 45% increase in cases received by the Data Protection Commission (DPC), many of which involved the use of Artificial Intelligence (AI) by persons making complaints, adding to the volume and complexity of the documentation presented. At the same time, the scale and complexity of the use of personal data by rapidly advancing AI technologies increased significantly, with heightened risks and harms for individuals. Despite challenges such as these, we saw a significant increase in cases concluded throughout the year.”

To view the press release and for links to the DPC report and case studies booklet see, [Data Protection Commission Publishes Annual Report for 2025 and Results of “Sharenting” Survey | 30/06/2026 | Data Protection Commission](#)

SURVEY REVEALS WOMEN IN LAW QUIETLY SUFFERING FROM EXHAUSTION

On the 17 June 2026, the Law Society of England and Wales, published an article titled ‘Women in Law quietly suffering from exhaustion’.

Dana Denis-Smith, founder of the Next 100 years and deputy vice-president of the Law Society, said the findings of the report produced by law firm RPC, LawCare, Next 100 Years Project and Goodbody Wellness Co., ‘demonstrate the scale of the health and wellbeing issues women face and reflects the quiet, accumulated cost of years working in conditions that damage health, with insufficient support from employers’.

Some 533 legal professionals were surveyed: 70% experienced ongoing exhaustion or low energy; 65% of those experiencing exhaustion did not feel comfortable raising their concerns at work; 43% did not feel they could openly discuss their health and wellbeing concerns at work without negative ramifications. Furthermore, 85% experienced health and wellbeing issues that affected their work in the past five years, 50% thought their current working pattern was unsustainable for their long-term health and 67% have considered quitting.

Balancing work with caring responsibilities has been identified in previous research as the single biggest challenge to health and wellbeing for women.

To view this article in full, see [Women in law quietly suffering from exhaustion - report | Law Gazette](#)

NEW RIGHT ALLOWING EMPLOYEES TO WORK UNTIL STATE PENSION AGE

On the 22 June 2026, the Minister for Enterprise, Tourism and Employment, Peter Burke TD, announced that the Employment (Contractual Retirement Ages) Act 2025 will come into effect on 29 June 2026, introducing a significant new employment right for workers in Ireland.

The legislation allows eligible employees to choose to remain in employment beyond their contractual retirement age, where that age is below the State Pension age of 66. Importantly, the Act gives employees choice, it does not require anyone to stay in work if they prefer to retire.

The new right will allow employees to formally notify their employer that they do not consent to retire at their contractual retirement age.

To view this announcement in full together with more details on the notice requirements see [Ministers Burke and Dillon Announce New Right Allowing Employees to Work Until State Pension Age - Workplace Relations Commission](#)

ICTU REMINDS EMPLOYEES OF THEIR RIGHT TO DISCONNECT WHILE ON ANNUAL LEAVE

On the 25 June 2026, the Irish Congress of Trade Unions (ICTU) has reminded workers of their right to disconnect from work applies while on annual leave this summer.

Congress said the WRC Code of Practice on the Right to Disconnect sets out three core rights that employees can rely on:

- The right to not have to routinely perform work outside normal working hours, including being contacted on annual leave.
- The right not to be penalised for not attending to work matters outside normal working hours, including while on annual leave.
- The duty to respect other workers' right to disconnect, by not routinely emailing or calling colleagues outside their normal working hours, including when they are on annual leave.

To view this reminder, see [Workers reminded of right to switch off this summer | ICTU](#)

SOLICITOR FINED FOR FAILING IN THIS DUTY OF CARE TO HIS CLIENTS AFTER THE FIRM CEASED OPERATING

On the 25 June 2026, the Law Society of England and Wales reported that a veteran solicitor who largely ignored the Solicitors Regulation Authority for two years after closing his firm has been suspended for two years, fined £20,000 and ordered to pay £11,940 costs.

The solicitor did not complete the firm closure notification form for two years after it had shut. When he did finally post the form in 2022, it highlighted several outstanding issues including the existence of two live files. The firm also held £17,864.77 in the client account and 50 wills and deeds needed to be returned or stored, while Young had not paid for run-off

cover for the period after closure. Young stated in a letter accompanying the form that the firm's closed files and any files generated from working as a freelance solicitor were being stored in a self-storage unit in Portsmouth until they could be properly shredded.

In its ruling, the tribunal said: 'Solicitors have a duty of care to their clients even after deciding to cease operating a firm, and solicitors cannot afford to forget or simply not meet this obligation'.

To view this article in full, see [Solicitor who shut his law firm then ignored emails and calls from the SRA fined £20,000 | Law Gazette](#)

KEY TAX ISSUES ARISING ON RETIREMENT FOR PRACTITIONERS

In the June edition of the Law Society Gazette, Michael Ó Scathail and Jonathan Ginnelly consider the key tax issues arising on retirement planning for practitioners, in part 2 of their retirement planning series.

The article discusses in detail the following, briefly summarised here: -

1. End-of-practice taxation (cessation rules)

- On retirement, special "cessation rules" (TCA 1997) apply to business profits.
- Profits in the final and penultimate years may be re-calculated based on actual figures rather than estimates.
- This can increase taxable income retrospectively if profits rise.
- The choice of accounting year-end can significantly affect how much income is taxed (earlier year-ends may reduce the tax burden).

2. Pension planning

- Practitioners should review pensions years before retiring.
- Tax relief on contributions - Up to 40% of earnings (age 60+), capped at €115,000.
- There is a pension fund threshold (€2.2m, projected to rise to €2.8m in 2029) beyond which penalties apply.
- A key issue - Lower taxable income in the final year (due to cessation rules) may limit pension tax relief.

3. Redundancy and termination payments

- Statutory redundancy:
 - Tax-free for employees
 - Tax-deductible for the employer
- Ex gratia payments:
 - May be partially tax-exempt
 - But often not deductible if the business is ceasing

4. Capital gains tax (CGT) on disposal

- Selling:
 - Goodwill

- Business premises triggers CGT at 33% unless reliefs apply.

Key reliefs:**Retirement relief**

- Exempts gains up to:
 - €750,000 (under 70)
 - €500,000 (70+)
- Conditions:
 - Assets owned by the vendor for a period of at least ten years ending on the date of disposal.
 - Vendor is aged at least 55 years at the date of disposal.

Entrepreneur relief

- 10% CGT on first €1.5m of gains
- Requires:
 - 3 years ownership/use in last 5 years and must have been used for a qualifying business throughout that time.

5. Treatment of assets

- Goodwill - May qualify for reliefs - Buyer does not get immediate tax deduction.
- Business property - Relief depends on: Ownership, Use and Timing of disposal.
- Limited concessions exist if property is sold shortly after closure.

This article highlights that retirement is not just stopping work—it's a complex tax event. With proper planning (especially around pensions, CGT reliefs, and timing), practitioners can significantly reduce their tax exposure.

To view this article in detail, see page 48 of the June 2026 Law Society Gazette [Gazette Magazine](#)